

Processed Chicken: National Mechanically Separated Chicken (Fri.) Agricultural Marketing Service

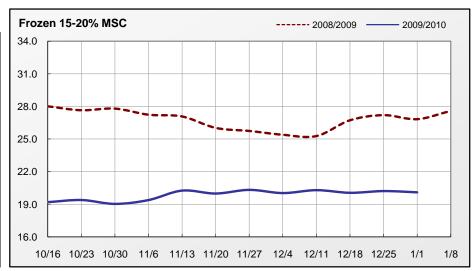
Poultry Market News & Analysis Branch

(F.O.B. Shipper Dock or equivalent; negotiated prices in trucklot and less-than-trucklot volumes reported in thousand pound quantities, cents/pound; delivery within 2 weeks.)

The trade sentiment on all fat contents was steady going into the new year. Supplies of fresh and frozen 15-20% ranged light to adequate with the balance of fat contents at least sufficient. Supplies of raw materials were adequate to available. Much of the industry seems well prepared for the holiday festivities as many buyers take all or fewer loads of contracted product and many packers produce less MSC as a result of reduced processing schedules and increased frame sales and rendering. Contract negotiations are mostly done for 2010 with a little opportunity should the occasion arise. On this note, most seem prepared for their new contracts to begin next week and are hoping for a smooth week logistically speaking. Export and domestic demand was seasonally light. Schedules were reduced as many take down time for the holidays and for some maintenance. Frame values were steady ranging 6-9 cents FOB, mostly 7-8 cents FOB.

Weekly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

	Frozen			Fresh		
Fat Content	1-Jan-10	Last Week	Last Year	1-Jan-10	Last Week	Last Year
15% or Less						
Price Range	24.00		-	18.00 - 19.00	18.00 - 19.00	25.00-26.00
Wtd Avg Price	24.00		-	18.64	18.60	25.66
Volume Traded	40	-	-	224	204	236
Volume Exported	-	-	-	-	-	55
15-20%						
Price Range	17.00 - 23.00	18.00 - 23.00	25.00-32.00	16.00 - 21.00	16.00 - 21.00	19.75-26.00
Wtd Avg Price	20.10	20.21	26.83	17.96	18.30	21.57
Volume Traded	1,172	1,124	802	2,550	2,018	3,061
Volume Exported	1,052	1,044	682	836	490	756
20% or More						
Price Range	-	-	-	16.00	16.00	21.00
Wtd Avg Price			-	16.00	16.00	21.00
Volume Traded	-	-	-	82	41	82
Volume Exported	-	-	-	-	-	-



Monthly MSC Weighted Average Prices (cents/pound) and Volumes (1,000 pounds)

	Frozen			Fresh		
Fat Content	Dec 2009	Nov 2009	Dec 2008	Dec 2009	Nov 2009	Dec 2008
15% or Less						
Wtd Avg Price	-	-	26.00	18.55	18.41	24.96
Volume Traded	-	-	118	894	1,502	1,360
Volume Exported	-	-	118	-	-	226
15-20%						
Wtd Avg Price	20.14	19.97	25.95	17.84	17.60	20.81
Volume Traded	6,781	5,805	6,646	12,366	12,716	14,306
Volume Exported	5,659	5,205	6,126	3,060	1,754	2,488
20% or More						
Wtd Avg Price	-	-	-	16.18	16.67	21.17
Volume Traded	-	-	-	449	367	243
Volume Exported	-	-	-	-	-	-

Note: Volume exported refers to that portion of the total volume that is destined for export markets.

